

Message Text

PAGE 01 STATE 152393

64

ORIGIN COME-00

INFO OCT-01 EUR-25 ADP-00 EB-11 STR-08 OMB-01 TRSE-00

CIAE-00 INR-10 NSAE-00 RSC-01 /057 R

66650

DRAFTED BY COM DIBA OIM WE 226 RCMITCHELL

APPROVED BY EB OCA REP MWDONOVAN

COM DIBA OIM WE 226 RDCLARK, RMD

COM DIBA OIM 212 MPRENNERT

COM DIBA OIM 248 EWWADE

----- 124430

R 022139Z AUG 73

FM SECSTATE WASHDC

TO AMEMBASSY BONN

UNCLAS STATE 152393

EO 11652 NA

TAGS BEXP GW

SUBJ STUDY OF THE IMPACT OF CHEAPER DOLLARS ON US EXPORTS
TO WEST GERMANY

1. OIM CONCURS WITH EMBASSY RECOMMENDATION THAT COMMERCE CONTRACT FOR INDEPTH STUDY OF IMPLICATIONS FOR US EXPORTS OF RECENT DOLLAR-DM PARITY CHANGES. A TWO PART STUDY IS PROPOSED. ONE, A TELEPHONE SURVEY OF US EXPORTERS TO GERMANY TO GET INFORMATION ON PRICE CHANGES DUE TO EXCHANGE RATE CHANGES IN 1973, TO BE DONE WITHIN US DOC. SECOND, AN INVESTIGATION BY A RESEARCH FIRM IN GERMANY OF WHICH PURCHASES ARE OR ARE NOT BEING MADE BY POTENTIAL GERMAN BUYERS OF US IMPORTS AS A RESULT OF EXCHANGE RATE CHANGES.

2. FOLLOWING TERMS OF REFERENCE ARE FOR USE OF RESEARCH ORGANIZATIONS IN DEVELOPING PROPOSALS FOR US DOC AS REQUESTED UNDER ACTION BELOW.

TERMS OF REFERENCE

UNCLASSIFIED

PAGE 02 STATE 152393

OBJECTIVE: PRIMARY OBJECTIVE OF THIS STUDY IS TO ESTABLISH DISTRIBUTION OF PATTERNS OF PURCHASES IN THE FRG DUE TO CHANGES IN \$-DM RATE AND SUBSEQUENT PRICE CHANGES IN SELECTED INDUSTRIES IIMPORTANT TO US EXPORTS.

3. SECONDARY OBJECTIVES TO DEFINE CONSTRAINTS AND TRENDS IN THE MARKETS WHICH EXPLAIN WHY PATTERS AND DISTRIBUTIONS EXIST.

PROPOSED MEANS: VARIOUS MEANS ARE POSSIBLE AND PROPOSALS ON ANY FEASIBLE MEANS ARE WELCOME. MOST DIRECT MEANS OF IDENTIFYING CHANGES IN PURCHASING DUE TO EXCHANGE RATE CHANGES IS TO INTERVIEW PURCHASERS WHICH ALLOW PROBES TO BE USED TO ELICIT FULL EXPLANATIONS. BUT COMBINATIONS OF TELEPHONE, MAIL AND PERSONAL INTERVIEWS MIGHT BE MOST EFFICIENT. IT IS LEFT TO THE RESEARCH ORGANIZATIONS TO PROPOSE METHODS OF DONDUCTING THE GENERAL INVESTIGATION.

4. PROPOSALS SHOULD INCLUDE TENTATIVE FORMS, INTERVIEW GUIDES, QUESTIONARIES OR EQUIPMENT FOR RECORDING, TO BE TESTED ONCE THE STUDY IS UNDERWAY.

5. SAMPLE DESIGN IS VITAL. ASSUMING THAT SAMPLE OF FIRMS IS TO BE DRAWN, DOC NEEDS MOST POWERFUL STATISTICAL SAMPLE WITHIN COST LIMITS THAT CAN BE DEVIDED. IF FEASIBLE, PROBABILITY SAMPLES WITH COMPUTABLE SAMPLING ERROR SHOULD BE DESIGNED. SAMPLES SHOULD BE PREFERABLY ONE-STAGE, RANDOM, STRATIFIED BY INDUSTRY, PERHAPS WEIGHTED BY SIZE OF COMPANY AND TRUNCATED BELOW A CERTAIN SIZE. COST-EFFICIENCY AND LIMITS TO CROSS-TABULATION PATTERN ANALYSIS SHOULD BE CONSIDERED IN SETTING SAMPLE SIZE.

CONSIDERATION SHOULD BE GIVEN TO MEANS OF INCREASING THE FREQUENCY OF COLLECTING VITAL BUT RARE INFORMATION, SUCH AS ON LARGE PURCHASE DECISIONS.

6. PLAN FOR ANALYSIS SHOULD ALSO BE PRESENTED IN THE PROPOSAL. IN ADDITION TO THE GENERAL SELECTION OF METHODS, DOC SUGGESTS FOUR VARIABLES THAT BIDDERS ON PROJECT MAY TREAT WITHIN SPECIFIED LIMITS:

1. NUMBER OF INDUSTRIES, COVERED (LIMITS 20-60) SEE ATTACHMENT A
2. SAMPLE SIZE PER INDUSTRY (LIMITS 20-60)

UNCLASSIFIED

PAGE 03 STATE 152393

3. MEANS OF REACHING ADEQUATE SAMPLE OF RARE EVENTS
4. LENGTH OF INTERVIEWS
5. COST (SEE BELOW)

TIME SCHEDULES: IF FEASIBLE, US DOC PREFERS INVESTIGATION TO COVER PURCHASE BEHAVIOR DURING 1973 TO DATE, I.E. BEFORE AND SINCE FEB 12, 1973 AND SUBSEQUENT CURRENCY RATE, CHANGES, IN FACT, TO PLOT PURCHASES AGAINST CURRENCY RATE CHANGES AND PRICE CHANGES. IT IS ESSENTIAL TO GET STUDY UNDER WAY AS QUICKLY AS POSSIBLE AND TO COMPLETE THE FIELD WORK ASAP.

7. TERMS OF REFERENCE SHOULD BE TURNED OVER TO RESEARCH ORGANIZATIONS WHO MIGHT SUBMIT PROPOSALS ASAP.

8. PROPOSALS WOULD BE EXPECTED WITHIN TWO WEEKS. WITH ONE WEEK TO AWARD THE CONTRACT, PROJECT SHOULD BE UNDERWAY BY END OF AUGUST. FIELD WORK SHOULD BE COMPLETED BY MID OCTOBER AND ANALYSIS AND REPORT WRITING IN ONE TO TWO MONTHS THEREAFTER WITH FINAL REPORT READY BY NOVEMBER 15 OR DECEMBER 15, 1973 AT THE LATEST.

PERSONNEL

9. IF POST DESIRES US DOC WILL SEND A PROJECT OFFICER TO GERMANY FOR PERHAPS 1 WEEK IN AUGUST TO MEET WITH ORGANIZATIONS SUBMITTING PROPOSALS TO INSURE SPECIFICATIONS ARE UNDERSTOOD AND BEING MET AND MEET WITH THE ORGANIZATION ACCEPTED FOR THE RESEARCH.

10. IN ORDER TO MEET FIELD WORK SCHEDULE, A NUMBER OF INTERVIEWERS MIGHT BE NECESSARY (SAY, WITH 40 INTERVIEWS EACH IN 10 INDUSTRIES AT 20 PER WEEK PER INTERVIEWER - 5 INTERVIEWERS NEEDED TO DO THE JOB IN 4 WEEKS).

COST: COMMERCE WILL AWARD CONTRACT TO THE RESEARCH ORGANIZATION WHOSE PROPOSAL BEST MEETS THE SPECIFICATIONS AT THE LOWEST COST. IF FEASIBLE, PRICE AND CONFIDENCE LIMITS (FOR THE SHARE AND VOLUME OF PURCHASES DUE TO RATE PRICE CHANGES FOR EACH INDUSTRY TREATED) SHOULD BE PROPOSED FOR TWO TOTAL SAMPLE SIZE LEVELS FOR INTERVIEW SURVEY-OF THE ORDER OF 300 AND 600 FIRMS. END OF TERMS OF REFERENCE

UNCLASSIFIED

PAGE 04 STATE 152393

ACTION: POST IS REQUESTED TO DISTRIBUTE ABOVE TERMS OF REFERENCE ASAP TO ALL RESEARCH ORGANIZATIONS INVITED TO SUBMIT PROPOSALS. INVITED ORGANIZATIONS SHOULD BE MOST REPUTABLE MARKET AND ECONOMIC RESEARCH ORGANIZATIONS IN WEST GERMANY.

11. WHEN INVITING PROPOSALS, FOLLOWING TWO ORGANIZATIONS SHOULD BE INCLUDED: DIVO AND DIEBOLD. REMAINDER OF ORGANIZATIONS ASKED TO BID ARE LEFT TO DISCRETION OF POST.

12. ARRANGE WITH RESEARCH ORGANIZATIONS TO GET PROPOSALS IN ASAP AND NOTIFY COMMERCE BY CABLE WHEN PROJECT SUPERVISOR SHOULD ARRIVE TO MEET WITH BIDDERS AND ORGANIZATION AWARDED THE CONTRACT TO DO RESEARCH, IN ORDER TO MEET ABOVE SCHEDULE.

ATTACHMENT A

INDUSTRIES TO BE CONSIDERED FOR INCLUSION IN THE STUDY

EXCLUSION

CAPITAL GOODS PRIORITY(#)
1. COMPUTERS AND RELATED EQUIPMENT
2. OTHER BUSINESS EQUIPMENT AND SYSTEMS

3. ELECTRONIC PRODUCTION EQUIPMENT
4. ELECTRONIC COMPONENTS
5. PHYSICAL MEASUREMENT, TEST AND CONTROL
INSTRUMENTS
6. ANALYTIC MEASUREMENT, TEST AND PROCESS
CONTROL INSTRUMENTS
7. POLLUTION CONTROL INSTRUMENTS AND EQUIPMENT
8. POWER GENERATING MACHINERY 12
9. ELECTRICAL POWER AND SWITCHGEAR EQUIPMENT 10
10. METALWORKING AND FINISHING EQUIPMENT 9
11. AVIATION ELECTRONICS AND INSTRUMENTS 8
12. COMMUNICATIONS EQUIPMENT 6
13. MATERIALS HANDLING EQUIPMENT 4
14. HEALTH CARE EQUIPMENT 3
15. FOOD PRODUCTION, PACKAGING AND STORAGE
EQUIPMENT 1

CONSUMER GOODS
UNCLASSIFIED

PAGE 05 STATE 152393

16 AUDIO, VISUAL AND AUDIO-VISUAL EQUIPMENT 11
17 PHOTOGRAPHIC EQUIPMENT AND SUPPLIES 7
18. TEXTILES 5
19. GAMES AND SPORTING GOODS
20. CLOTHING 2

(#) THE EXCLUSION PRIORITY IS THE ORDER IN WHICH INDUSTRIES
SHOULD BE DROPPED FROM THE STUDY IF LESS THAN 20 INDUSTRIES
ARE TO BE COVERED BECAUSE OF COST OR EFFICIENCY (I.E. NUMBER
1 SHOULD BE DROPPED FIRST).

ROGERS

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 10 MAY 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 02 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE152393
Document Source: ADS
Document Unique ID: 00
Drafter: COM DIBA OIM WE 226 RCMITCHELL
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730869/abqcemzp.tel
Line Count: 198
Locator: TEXT ON-LINE
Office: ORIGIN COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 14 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14-Dec-2001 by reddocgw>; APPROVED <01 MAR 2002 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SUBJ STUDY OF THE IMPACT OF CHEAPER DOLLARS ON US EXPORTS TO WEST GERMANY
TAGS: BEXP, GE
To: BONN
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005